

THE C.H. DOUGLAS CREDITER

FOR POLITICAL AND ECONOMIC REALISM



Historic Reality:

We, the oppressed peoples of Russia, the oppressed peoples of Eastern Europe, watch with anguish the tragic enfeeblement of Europe. We offer you the experience of our suffering; we would like you to accept it without having to pay the monstrous price of death and slavery that we have paid. But your society refuses to heed our warning voices. I suppose we must admit, sad though it is, that experience cannot be transmitted; everyone must experience everything for himself.

—Alexander Solzhenitsyn, March, 1976, BBC address.

FROM WEEK TO WEEK



Conservatism stands “ for the most permanent, and hence the most vital and entirely natural interests of the people as a whole.” —KEITH FEILING.

Political Systems

“Many sing the praises of ready-made political systems, which they would apply to every social structure irrespective of its nature, at every stage of advancement and culture, to every race and in every climate. They are indifferent to human personality and the conditions under which nations live, for they are obsessed by their individual political doctrines or dreams of domination. Their *a priori* reasoning divorces them from reality, and, disregarding the lessons of history, they are all too eager to build a future whose foundations are not in the past. For them retrospection is a vanity. Such is not our outlook.

“I have always been in favour of a policy of plain good sense, as opposed to a policy of magnificent plans, plans so vast and magnificent that all our energy was spent in admiring them and there was no strength left to carry them out.

“I have always been in favour of a policy of plain good sense, as opposed to a policy of magnificent plans, plans so vast and magnificent that all our energy was spent in admiring them and there was no strength left to carry them out.

TRUTH, like authority, partakes of the nature of the absolute.

NO lying political school and system of government, but truth, truth in word and deed, in reforms and laws and in carrying them out.”

Dr. Antonio de Oliveira Salazar;

The Way, the Truth and Life

These islands have had many bad Governments— certainly, on balance, many more bad Governments than good ones even by comparison with the low quality of Governments everywhere. But the present very bad Government, or as we prefer to say, Alien Administration, differs from anything which has preceded it in three major qualities. It is not a British Government and does not pretend to be so, in fact its Cabinet Ministers boast that they do not consider the interests of “Britain” see BREXIT, or Ukraine, and of course Islam/Israel, any more than those of any other part of the world. The feature which is really frightening about the condition of the United Kingdom of Great Britain and Northern Ireland is the universal corruption and the virtue signalling which has accompanied it, which having spread downwards like a plague has infected every National Institution.

Yet another Satanic pillar of the Soviet Communist “JUDAIC RULE BY LAWS” is enforced upon a comatose native British people by a so called Conservative Party Government.

Comrade **Ilyich Vladimir Gove:** after approval from the Bank of England of course, and The Secretariat of the Central Committee of the Downing Street and Whitehall Communist Party, where, as the right rotten Kommisar for the Levelling Down Collectivism Directorate, Comrade Gove declared after unanimous approval from the Non-Organic Triple “A” Alien-Affirmative-Action Politburo, on the now, barely concealed WAR upon Public Enemy No.1 of the Progressive State. The “WHITE” Native Briton — the English, the Scotch, the Welsh and the Irish, the “EXTREMISM” dictums.

Building on the Totalitarian “Hate” Speech JUDAIC RULE BY LAWS the way is now

fully REALISED for the Satanic, rootless, multi-racial multi-cultural ONE WORLD HELL:

What say you Dave?

“War is peace.

Freedom is slavery.

Ignorance is strength!”

‘Aye!

SOIL DEFICIENCY AND DISEASE

G. E. BREEN, M.D., D.P.H.

In the days before the atomic bomb, it was a favourite exercise of our more imaginative writers to leap ahead into the future and try to forecast what life would be like five hundred or a thousand years from to-day. These flights of fancy, which enabled the author to gallop his hobbies and his prejudices all over the place to his heart's content, were often very stimulating and entertaining. But they nearly always contained one piece of prophecy that seemed to be based, not on wishful thinking, but on no thinking at all. And that was that our descend ants, instead of sitting down to a square and succulent meal, would be quite content to swallow a couple of capsules, wash them down with a glass of water, and be off about their business.

Just what these capsules should contain was naturally not made clear. Perhaps a couple of atoms in a state of impending fission, garnished maybe with a rosette of vitamins; the whole embedded in a pleasantly laxative base? But apart from this conundrum and the unwonted asceticism which *homo sapiens* was suddenly to begin to display, there were a

number of other points which these speculations tended to ignore.

One is that such food habits are hardly compatible with our existing physiological structure, especially our alimentary systems, and that to develop new ones more suitable to a capsule age would probably take about a million years. This “synthetic” attitude towards human nutrition has grown considerably of recent years, stimulated no doubt by such discoveries as the vitamins and the triumphs of our chemists in manufacturing them in the laboratory. In so far as it represents man's natural desire to secure an ever-increasing control over his environment, it is understand able and even laudable; indeed we would not quarrel with it at all were it not for its cocksureness, its arrogance, and the ease with which it lends itself to commercial exploitation. Thus various people, for various motives, are only too willing to give us synthetic bread, just as there are others who, for quite simple motives, are prepared to add a little alcohol and a few chemicals to a flask of water and persuade us that we have a bottle of “British Burgundy”. It is easy enough to escape the “Burgundy”, but it is not so easy to avoid the bread which may yet be thrust down all our throats. What will be its long-term effects on the national health—on our vigour, our stamina, and our fertility? Who can say? But so far have we moved away from fundamentals that the matter has scarcely evoked a ripple of interest among the public generally.

Let us then get back to fundamentals. The soil on which we stand and by which we live is derived from the parent rock of the earth's crust, immensely modified, it is true, by the action of the multitudinous forms of life which inhabit it. These in their several ways are incessantly breaking down and building up organic compounds which are of the first importance in maintaining the soil cycle based on the endless succession of growth and decay. But whatever compounds they may build up

must be formed of the elements present in the soil or in the atmosphere, for an element cannot be synthesised. Some of these elements are scarce, and occur only in minute traces in the plant or animal body.

So long as all plant and animal wastes and residues are returned to the soil in Nature's way these trace-elements will always be available to assist the formation of new life, but under the modern system of "fertilising" the soil with a few selected chemicals and disposing of human waste into the sea, it must be clear that in the course of time those which are normally scarce will become rarer and rarer. As they are easily detectable by simple chemical analysis and lend themselves readily to experiment, trace-elements form a ready index of one simple type of soil deficiency.

In the case of plants it used to be thought that nitrogen, phosphorus and potassium, with sulphur, calcium, magnesium and iron, met all the elementary requirements of plant physiology. Recent work, however, shows—as common sense had always suggested—that there is hardly a single element present in the original soil which is not essential to, or highly important in, the life of any given plant growing naturally on the soil in question. Thus zinc, copper, manganese and boron are now reported as essential to all higher plants, with molybdenum, titanium, vanadium, chromium, tungsten, cobalt and nickel as all-but-essential.

And the list is continually expanding.

But plants are resourceful things, accustomed to building up many products for themselves and surviving even in the most unpromising conditions. Not so the herbivorous animal. Whenever there is a soil deficiency the animal shows it first. Take, for example, chromium. In parts of South-West Scotland this substance is deficient in the soil. Unless ruminants pastured in these areas are fed chromium, they develop severe anaemia and wasting, and ultimately die. Of more interest to us is the disease in sheep known as "swayback".

Copper appears to be an essential constituent of the mammalian nervous system. In its absence the nervous system will not develop properly nor will the developed system remain in health. In "swayback", areas of inflammation or degeneration (demyelination) appear in the spinal cord, interrupting the nerve messages from the limbs to the brain so that the animal cannot maintain its balance, hence the name. The disease can be prevented by feeding copper.

When we come to man, matters are not so simple. If an animal exhibits a deficiency disease it is reasonable to indict the soil over which it pastures. In man we can arraign his diet; but where did that diet come from? If he is a modern European or American, the answer may be "from the sea or from the ends of the earth". Moreover food habits and social status complicate the matter considerably. Of course we do know that in certain parts of England—Derbyshire and the Isle of Wight for example—as well as in Switzerland and in parts of the United States, goitre (an enlargement of the thyroid gland in the neck) occurs, and is restricted fairly sharply to certain areas. The most conspicuous among the causes of this condition is a shortage of iodine in the diet, and iodine has been given in the form of iodized salt to prevent it, with a good deal of success. But this is an isolated case. Generally speaking, in human disease we are forced to argue by inference or analogy, or to take circumscribed homogeneous populations, study their agricultural and dietetic habits and their diseases, and compare them with our own. Since such communities are to be found only where Western civilisation has hardly penetrated, the difficulties of the inquiry are obvious.

Historically of course we have extreme examples of soil infertility and its malign results. The great city civilisations of the Middle East literally ate themselves off the cultivable soil in their vicinity and passed out of history buried in sand. Rome left its

granary, Libya, a desert. All these societies decayed except one—Egypt—whose river valley is fertilised annually by the deposit brought down by the Nile from the virgin soils of Central Africa.

In the modern world two countries select themselves automatically for contrast. One is Germany, the home of artificial manuring, and the other China, whose peoples—much to the alarm and disgust of visiting Europeans—return all waste, both animal and human, to the soil.

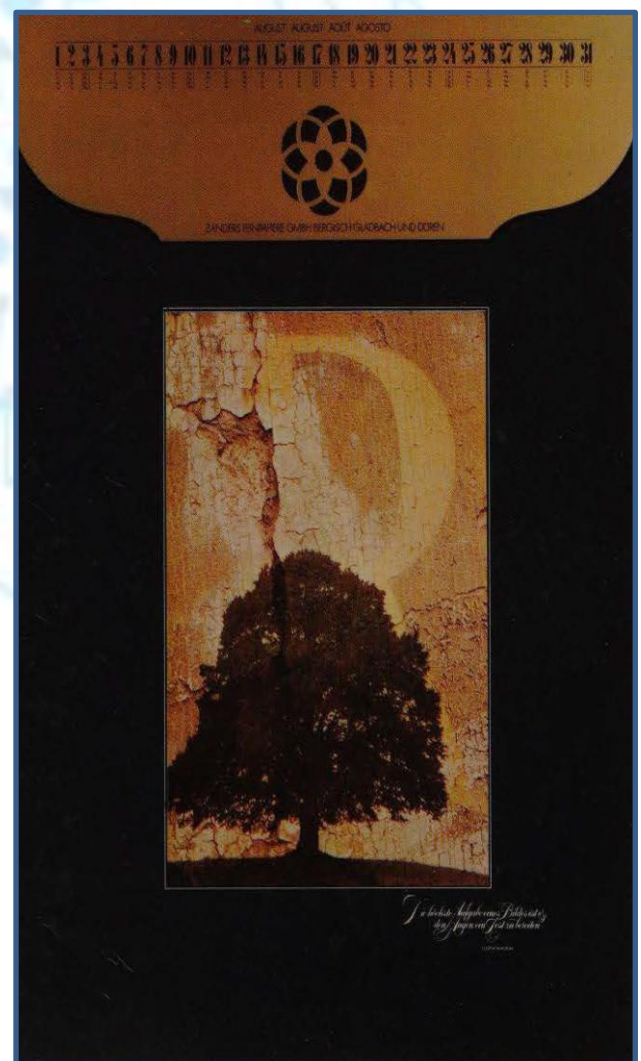
Sheer starvation is the commonest disease in China because of the size of the population. Yet disseminated sclerosis is *seventy* times as common in Germany as in China. This is a nervous disease in which patches of “demyelination” appear in the spinal cord, just as in “swayback” ; it occurs all over Europe, but especially in Germany. Again syphilis is common in Germany and Europe generally, but ten times more common in China. Yet whereas in Europe the later stages are usually marked by syphilis of the nervous system, in China this is exceptional.

Evidently the Chinese have very stable nervous systems in more senses than one. Again, degenerative diseases of the blood vessels such as disease of the coronary arteries of the heart—that mounting scourge of Western Civilisation—is almost unknown in China. Why is this?

Judged by our intake of proteins, carbohydrates, fats and vitamins, our diet is superior at every point, but weighed in the biological balance we hardly seem to have the best of it. marvellous physique and stamina described by McCarrison, whose agricultural practices accord in essence with those of the Chinese, and whose vital statistics must be unique in the world today. But there is one final point which I would like to make. It is possible to breed fowls in cages and secure a financially satisfactory yield of eggs for human consumption. But if eggs for breeding

chicks are required, this will not do; the fowls must be allowed into the open fields to scratch and forage for themselves. Similarly wherever Western Civilisation has spread with its industrial and financial systems, its white bread and its artificial manures, the birth-rate has fallen steadily. Judged by the only test that really matters—the biological test—our civilisation stands condemned to pass out of history as completely as the Babylonian. It is not easy accurately to assess the separate influence of so many factors, but an analogy suggests that our treatment of the soil must play no inconsiderable part in this relentless decline.

MotherEarth 1946





Highland Wedding at Blair Atholl by David Allan- 1744 - 1796

This was painted after Allan's return from Italy, and was the first of his many Scottish genre subjects. Niel Gow, the celebrated violin player, composer and collector of music, takes his place amongst the musicians; Gow's services were retained by the Duke of Atholl, for a fee of £5 a year. **The tartan worn in this picture was done so illegally, for highland dress had been proscribed after the Jacobite rising of 1745 in an Act not repealed until 1782.**

Oil on canvas Framed: 115.00 x 166.00 cm

Historic Reality:

A Hint to the Christian Churches

By NORMAN F. WEBB

(1)

Social Credit was described by its author as a glimpse of a portion of Reality, and the justice of that assertion is being constantly vindicated. Reality is in the nature of a touchstone, or better, the light in which everything is seen in correct perspective. The real facts about some one aspect of life are found to be broadly the measure of all its other features, so that by their aid one is able imaginatively to see large movements and organisations and what are termed world-problems realistically, and without idealizing them, and to approach one's fellows as composite four-dimensional human beings, rather than dialectically, as the exponents of a prescribed form of opinions. Lacking this spirit of realism—the endeavour to achieve which I take specifically to be what is known as “taking up the Cross”—we are without the first essentials of intelligent judgment; and those, a great many unfortunately, who refuse or have ceased to make the effort, are to be seen continually entering battle on unestablished, or imperfectly established issues, and forever finding themselves engaged in defending the causes and interests of others rather than their own, with the conditions they most desire rapidly receding from them. That is the measure and degree of their servitude to circumstances, the situation from which we all desire to be freed; and in no department of life is the truth of that more strongly exemplified than that of our money system, upon which particularly Social Credit sheds so much light. Obviously a correct understanding of the means of distribution is the most vital necessity to a co operative society; whether of commodities,

which are the basis of material existence, or of information, which is the basis of conscious existence. Hence, one supposes, the determination on the part of the anti-social, Satanic Forces to control at all costs the issue both of financial credit and news.

Among the numerous and urgent post war problems, all demanding a realistic approach, there are two, closely connected, which stand out prominently. The first relating to the state of Christian faith, represented by the comparative debility of the Christian Churches, and the second, the Jewish Question, which may be broadly identified with what is called Socialism. Simply stated the two problems are, how to revive faith in Christianity, assuming it is possible and desirable to do so, and how to settle the collective problem of racial and political Judaism, and the answer to one is the answer to both questions.

It is inevitable that the Christian Church as an organisation, should be to some extent a doctrinal affair. Had it not been, it is conceivable there would be no Christian Church today. It represents official, one might almost say political Christianity. And it is natural to the ecclesiastical mind, as well as to the formally devout, that a revival of faith should present itself largely as a renewal along those lines; in other words, as a revival of doctrinal, and therefore dialectical, Christianity. And yet, tactically, strategically, I cannot think of anything less appropriate, or less wanted at the present time. For it is not the differences, the distinctions between Christianity and Judaism that require present emphasis. What the world needs is synthesis, a resolution of its differences. Besides, from the angle of the second of these allied problems, we must remember that dialectic is pre-eminently the Jewish medium, the ground upon which the Jew has always chosen to do battle. Has he not constituted himself the exponent of dialectical materialism and the master of ideological argument? Any attempt

at a revival of doctrinal Christianity, therefore, merely means following him onto his chosen field, where he has made himself fairly certain of victory. It seems to me that if we want to penetrate the tangled relations of Christendom and Jewry with any hope of success, and discover the concrete nature of the problem it presents, we must first make it clear, to ourselves as well as to others, that our approach to the matter is cultural and not ideological, for that is the nature of the difference, and it is not going to be resolved by the elimination of one creed by its rival. The need is for both creeds in their dialectical sense to be transcended and superseded by the Truth—the reality of the situation, whatever it may be—in the consciousness of their exponents.

Speaking as a Christian, I say that we all instinctively realize that there is a real as well as an ideal Christianity; and common sense, as well as common fairness, tells us that to a greater or lesser degree the same must be true of Judaism; and that what is real is common and therefore can contain no difference. In the interests of Christian Truth, then, it is essential to approach this question non-dialectically. For surely what we call Christianity was in origin, and still is, primarily factual and not dialectical at all; and above all, not mystical. Could anything be more matter-of-fact and less speculative than nine-tenths of the Gospels? They are as factual as the last issue of Bradshaw's Railway Guide, and indeed, might profitably be studied in the same simple and confident spirit of enquiry.

The problem then that awaits solution by the Christian Churches, or the Christian individual, it makes no difference which, and includes the only possible settlement of the Jewish question, is not technical, but factual. One might suppose that that would clarify the position and make a satisfactory solution more easily come by and more readily grasped when discovered, and the reason that it does not must, I maintain, be attributed to the fact that

the Christian Church—Christendom in general—has lost touch with historic reality, specifically, the reality of the historic event upon which its faith is founded. And it would seem that doubt regarding one fact has gone a long way to destroying the authority of all factuality. One has often pondered this phenomenon in connection with the failure of the Churches particularly to grasp the perfect adaptation of Christian principles to modern economic conditions contained in Douglas Social Credit, the conclusion reached being that it was not intelligence that was lacking, but the sense of realism, reality: a very grave conclusion.

And it is to this same lack, so it seems to me, that we must look for the cause of the increasingly obvious failure of Western, Christian culture to deal adequately with the Jews in their racial aspect.

If this analysis is correct, it brings us back from useless dialectical skirmishing, to consideration of the actual point at which the defences of Western faith and confidence have been breached. That point, I say, is exactly located in this sense of historic reality. Did certain events take place in Palestine approximately nineteen hundred years ago, or did they not? If not, or if they did not happen substantially as reported in the Gospels—a suggestion which has always been the underlying theme of dialectical propaganda—then the whole of Western civilization, instead of being an advance towards Real Knowledge, is of the nature of a *cul-de-sac*, a tremendous enterprise embarked on under a misapprehension, and contemporary society, as indeed sometimes looks to be the case, is rapidly approaching the inevitable stampede at the blind end of it, when the disastrous fact is at last borne in on the minds of the unreflective majority which constitutes the inertia of such a terrific movement.

That simple question as to the historic reality of those events in Palestine, and an unqualified response to it, either of assent or dissent, and

not any abstruse ideological distinction, constitutes the world-issue. The battle is between Christian and Jew, using those terms merely as representative of opposed points of view equally possible, if not equally likely, in any one; actually of different and differing senses of Reality. And that the Christian has, or can with any show of reason expect to have, a more advanced outlook to that of the Jew, depends entirely on the absolute authenticity of those events, and, his factual grasp of their implications.

The battle is mental, of course; political. For military war between sovereign nations, even Total War, is not a last desperate resort, a spontaneous combustion of uncontrollable national ambition, as is popularly put about, but as Clausewitz said, "the pursuit of policy by other means." In fact it is no more than a deployment in the strategy directed towards the main objective, which is the Satanic instinct to undermine the opponent's sense of continuous reality—what we call his reason, his divine confidence and common sense—*via* his sense of historic reality. It is the instinct of one elemental egotism to liquidate and eliminate another, literally to disintegrate him by sabotaging the machine of his thought, the mechanism whereby he keeps body and soul together. Approaching senility and disintegration in an individual is most often indicated by a loss of grasp on facts and sequence. It would not be unreasonable therefore to suggest, since everything human must have a beginning somewhere, that a conscious, occult attempt on the part of an over-ridden minority to obtain this effect upon a vast and flourishing and self-confident society, would concentrate on undermining and weakening its opponent's fundamental assumptions, themselves based on what, if it is true, represents the most terrific fact in human history. And to do that most effectively, doubt must be cast on the event itself, as such.

That doubt once rooted, a growing and general scepticism would seem inevitable, involving the reality (actuality) of all lesser historical phenomena, particularly of the last two thousand years, since those are all so largely coloured by the assumptions based on it; until finally—so the rival creed hopes and expects—a point is reached when the opponent's sense of any historic sequence and continuous design, which is the very foundation of the faculty of thought and reason, threatens to disappear.



Manners Mayketh Man

“I suppose most statesmen at the present time would agree that their primary problem is to create employment, and to induce trade prosperity for their own nationals, and there are few of them who would not add that the shortest way to achieve this would be to capture foreign markets. Once this, the common theory of international trade is assumed, we have set our feet upon a road whose only end is war. The use of the word 'capture' indicates the desire to take away from some other country, something with which it, being unable, also, to be prosperous without general employment, does not desire to part. That is endeavouring to impose your will upon an adversary, and is economic war, and economic war has always resulted in military war, and probably always will.”

— C. H. Douglas in "*The Monopoly of Credit*"

The most convincing proof that Major Douglas is right in regard to both the economic and the political sides of Social Credit is the *necessary* assent by every fresh mind which gives full attention to what he says. The strongest *corroboration* lies in the immense pains taken—

- (1) To limit circulation of his books and articles to a minimum,
- (2) To misattribute such of his ideas as become current so that reference to their origin is prevented, or to effect some compromising attachment,
- (3) To misrepresent. The lie is the only answer, such as it is, to the truth. The Bolshevik avowal “Social Credit is the only thing we have to fear” is confirmation of the fact that in nothing else lies even the germ of a correct social order.

Tudor Jones

The favourite device-of the international crook and his bureaucratic agents, however, is debasement of the currency.

Since Government Finance has passed entirely out of the control of Parliament, the House of Lords being specifically barred from any interference with it, and the House of Commons merely acting as a rubber stamp, coin-clipping in its modern and more scientific form has gone on merrily, not merely in war-time, but before. The implacable hostility, displayed in High Financial circles everywhere to the price regulation proposals of Social Credit is due to the instant recognition of the fact that they are fatal to currency debasement. There is no serious opposition to “stable” currencies, because they are in fact simply a slower form of debasement, just as though you were allowed to keep an apple tree, provided you handed over its increase in size and the apples accruing therefrom. Major C. H. Douglas (1944.)

The distinctive approach made to place the individual in society with the potentiality of liberating him or herself from economic servitude has been encapsulated in the matchless words of C. H. Douglas, as follows:

The Financial system, in its control over production, stands to the works or factory system of the world, considered as an economic unit, in the same relation as the planning department of a modern factory does to that factory.

The distribution side of the financial system exercises a function not dissimilar to that of the progress department of a factory.

No discussion of the financial system can serve any useful purpose which does not recognise:

(a) That a works system must have a definite objective. (b) That when that objective has been decided upon it is a technical matter to fit methods of human psychology and physical facts, so that that objective will be most easily obtained.

In regard to (a) the policy of the world economic system amounts to a philosophy of life. There are really only three alternative policies in respect to a world economic organisation: The first is that it is the end in itself for which man exists.

The second is that while not an end in itself, it is the " " most powerful means of constraining the individual to do things he does not want to do; e.g., it is a system of Government. This implies a fixed ideal of what the world ought to be.

And the third is that the economic activity is simply a functional activity of men and women in the world; *that the end of man, while unknown, is something towards which most rapid progress is made by the free expansion of individuality, and that,*

therefore, economic organisation is most efficient when it most easily and rapidly supplies economic wants without encroaching on other functional activities.

A KEY TO CULTURE

“ The man who wishes to cultivate his mind must seek a wide background where the various growths of thought have taken root and flourished, and from which the seeds blown by winds from all quarters have fertilized the cultures of pastures upon which he has thriven.

One section of my library is devoted to the Early Fathers. These I find difficult to dissociate entirely from the Greeks. Indeed, to me the influence of Plato is one of the most striking features of early Christian thought. Origen and Clement of Alexandria are unique in this respect. Here again it is impossible in a short essay to do justice to the period from the fall of Jerusalem to the conversion of Augustine. Two of the men whose influence has extended all through the Middle Ages and down to our time are Plotinus and the author of The City of God.

Now that the Enneads have been given to us by Stephen Mackenna in perfect English, there is no reason for any man of culture saying, as he did heretofore, that the translation is so bad that it is scarcely readable. It would be asking far too much to expect the student to read the whole of Mackenna's work. I have no hesitation, however, in recommending to him the beautiful volume of copious selections from the Enneads, entitled The Essence of Plotinus, that Grace H. Turnbull has compiled.”

Francis Neilson

The Brief for the Prosecution

By C. H. DOUGLAS

CHAPTER IX

Alfred Moritz Mond, 1st Baron Melchett, died in 1930, his attempt to remove industrial policy from criticism of parliament and the general public having for the time being failed. Towards the end of his life he was much concerned with the New York group of Zionist Jews who controlled the Palestine Economic Corporation and were the force behind the "New Deal." In 1931 two closely connected events coincided with a reorganisation of the Government and the final disappearance of Mr. Ramsay MacDonald and Philip (Viscount) Snowden from politics. The first was the setting up of the New Fabian Research Bureau, with Mr. Attlee, now (1944) Deputy Prime Minister, as Chairman, and the second was the private circulation of *Freedom and Planning* by the organisation known as P.E.P. of which the moving spirit was Mr. Israel Sieff, a Russian-speaking Jew.

For an admirable little analysis of the origins and activities of 'the Fabian Society and its offshoot, P.E.P., the reader should consult *The Planners and Bureaucracy* by E. Edwards (K.R.P. Publications, Ltd., Liverpool, 1943).

The public activities of P.E.P. emerged in 1933. In 1938, *Planning*, the publication dealing with such of its activities as it was desired that the public should apprehend, declared "Only in war, or under threat of war, will a British Government embark on large scale planning." This is a key statement, and it requires careful examination.

It is frequently observed, by those who have given only superficial attention to the matter,

that it is perverse to object to planning. The implication is that the planning to which, reference is made is the alternative to what is commonly called "muddling through." The fact that practically every article we use, from a teaspoon to a motor-car, is the result of skilled, intensive, planning is apt to escape notice.

The planning which results in a teaspoon or a motor car, however, is the outcome, of a desire to produce a tea spoon or a motor-car of a particular pattern, and in a free economy the pattern is conceived in the hope that it will appeal to the individual, and will be bought in competition with alternative patterns. But the planning of the Fabian Society and its colleague P.E.P. is and must be precisely the opposite. ***It is the planning of whole peoples on the model of Germany by a totalitarian State which is designed as a whole to be the best instrument of war, the national objective of Germany. The teaspoon and the motor-car alike have to fit into this conception. Comprehensive planning requires one single objective which never varies and to which the individual is subordinate; and comprehensive planning is only justifiable on the assumption that military war is merely one aspect of continuous war.*** To repeat the dictum of Clausewitz, "War is the pursuit of policy by other means." Whose policy, and to where it leads, is undisclosed.

Once this conception is grasped, it is not difficult to realise that "only in war or threat of war" could the social and political economy of Great Britain, the great barrier to World Dominion, be remodelled in the hierarchical pattern of the German Army.

That there is no contradiction between ***practiced*** Socialism (Planning) and extreme militarism, was fully recognised in Germany fifty years ago. In 1892 August Bebel, a leading Social Democrat (Socialist) told Bismark that "the Imperial Chancellor can rest assured that German Social Democracy is a sort of preparatory school for militarism." It

could not be anything else and remain socialism.

It is precisely at this point that the fundamental and irreconcilable antagonism between the German and the British, the socialist and the liberal (without a capital) conception of life becomes plain. It is not that the Briton is incapable of understanding, and, unless bedevilled by alien propaganda, appreciating, the necessity of rank and consequent discipline. His point of view has been put once for all by the poet of Scotland, Robert Burns. "The rank is but the guinea stamp, a man's a man, for a' that." The German outlook was put with even greater brevity by the Kaiser—"cannon-fodder." The matter may be phrased somewhat differently, and in a manner more closely applicable to the present situation, by saying that the German, or socialist *proximate* objective is government *by* administration, whereas the English conception is government *of* administration. The first is the unbridled rule of the expert: the second is the subjection of the expert to the criticism and restraint of human need and desire.

It is a remarkable tribute to the sound instincts of the English that they have always distrusted experts in politics.

If the average man, assuming that there is such a person, were to be told that this distrust is probably the root cause of their survival, and that it took the form of scepticism in regard to the Encyclopaedists who were responsible for the French Revolution, he would probably repudiate any understanding of the subject. But if the average craftsman, small trader, or farmer were asked why he voted for a Conservative, he would be quite likely to reply, "These socialists are too clever. I don't trust 'em." Some instinct warns him that sympathy for the under-dog is one thing; an under-dog Party in the House of Lords, a School of Economics identifying the Gold Standard and international cartels with Under-Dog Economics and providing its picked graduates with desirable positions in the Bank

"of England," and Somerset House, is quite another.

Where the unreasoning instinct of the Englishman (and in this, the Scot, and the Welshman are not so obviously included) has been so remarkable is that it has led him to a decision on a matter in regard to which reason would require an array of fact inaccessible to the great majority.

Without argument, he accepts the bureaucratised state as largely inevitable in war; without argument, he indicates that it is unpleasant in war and intolerable in peace.

But it is doubtful to what extent it is generally realised that retreat from the centralised, Socialist State is much more difficult than progress towards it. Vested interests in bureaucracy are not alone the cause. The situation has been put with accuracy by Professor Brutzkus, from 1907 to 1922 occupant of 'the' Chair of Agricultural Economics at St. Petersburg, who remarks: "it should not be forgotten that the communist state, with all resources at its free disposal and resting on an absolute dictatorship, is the most powerful in the world; while the subjects of such a state are the most impotent of all peoples." (*Economic Planning in Soviet Russia*, p. 136.) The foregoing paragraph, and indeed the whole of the book from which it is taken, will repay careful study, since it contains either implicitly or explicitly indications of the tremendous problem with which the world is faced in the bureaucratised or "planning" State. Professor Brutzkus, who had unrivalled opportunities of observing the transition from Czarist to Communist Russia, and was highly critical of the former, concludes: "Russian experience bears out in the clearest manner the basic conclusion—namely, that the principle of socialism is not creative; that it leads the economic life not to fruition, but to ruin." But it hardly requires insistence that such arguments as the many adduced from various sources on the unsatisfactory condition of Russia and Germany, both

examples of the planned bureaucratic Socialist State, have little or no bearing on the likelihood of a change in the system. Its very defects strengthen the *System*. Can anyone seriously suggest that Hitler or Stalin, together with the Great German General Staff and the Moscow Communist Bureaucracy, will resign voluntarily? And if they will not, resign voluntarily; “the most impotent of all peoples” are not ‘exactly in the best strategic position to *force* a resignation.’ The Gestapo and the Ogpu can deal competently with anything of that nature.

There is no essential difference between the higher officials of a Trust, Cartel, or Trades Union, once they are free of Parliamentary control, and a Russian Commissar or an “Office’ General” of the Great’ German General Staff.

None of them is creative; all of them are primarily concerned with their own positions and the perpetuation of the system which maintains them in positions of maximum power and minimum of responsibility. And not one of them can pursue an independent policy. The policy is that of the type of organisation to which they belong—it is the organisation which makes the man, not the man the organisation.

Sir Alfred Mond’s plan was one way of ending Parliamentary control of the bureaucrat; failing, resort was had to the New Despotism, “P.E.P.” Once again, there is a tendency to assume that we are witnessing an automatic, and to that extent, inevitable development. So far from this being true, it is possible to indicate exactly where, and by what steps the present situation has been reached, and in so doing, to place the conscious nature of the policy beyond dispute. One clue can be found in the nature, transformation, and mechanism of taxation.

The fundamental idea of taxation can be discerned in the maxim “*inter arma silent leges.*” Taxation was originally a war

measure; it was not law, it was not legal. It was simply a recognition of the fact that when the house is burning down, the mill race may have to be tapped to put the fire out.

The income tax, introduced by Sir Robert Peel, was a temporary tax to replace the revenue lost by the abolition of import taxes on various articles and like Peel’s Bank Charter Act, Police Legislation, and general policy, can be seen to have been a portion of a definite plan to familiarise permanent taxation, of which it is most improbable that his was the creative brain. During the whole of the nineteenth century we can see the conception of taxation as being a device to finance specific ends, changing into something entirely different—a political weapon, in the main aimed at agriculture but in general intended to make finance the Supreme Government. The core of the plan was the National Debt and the Balanced Budget working in conjunction with the Bank of England. In order to avoid repetition, the reader who is not familiar with the technique of Government Finance may be referred to *The Monopoly of ‘Credit*, Chap. V, *for* further detail.

Knowledge of finance was confined to a select few, and the general public was gradually trained to believe that in some unexplained way, life was becoming much more expensive. In actual fact, the general population was receiving a decreasing share of wealth produced. It never seems to have been generally observed that the “social services,” which were often given as a reason for higher taxation, were almost wholly due to the inability of the individual to get by purchase what was physically obtainable, since public bodies did in fact obtain it, paying by loans which further increased taxation. The individual was not to be allowed to spend his own money. It seems so obvious to anyone who is completely ignorant of the subject that the poor are poor because the rich were rich, that no decent minded person could object to make the rich poor by taxation even if in some

curious way—the general body of the well-to-do became poor without the poor becoming perceptibly more well-to-do.

It has been proved repeatedly, by the most orthodox economists, that the distribution of surplus money income over the bare subsistence level would be quite inadequate to raise the general standard of living to any tolerable stage, and would kill any but elementary industries. Over twenty years ago, Dr. Bowley stated that the confiscation of all incomes over £160 would only provide £25 per family if the sum confiscated were completely and evenly distributed. It is being proved at this time, when we are spending £14,000,000 *per day* that the confiscation of the *money-wealth* of the well-to-do would not take us very far, since on Dr. Bowley's figures, when there were well-to-do, they, collectively, had only about two-thirds of a million a day to spend.

The detail of this question is intricate and far-reaching, but the main dominant fact is simple. It is that there is under existing financial methods no relation between wealth and money, and that taxation, which is always in *money*, is levied on price values which do not in themselves add one penny to the amount of *money* in existence. A landowner may have property, the *price value* of which is £100,000, but to pay his taxes, he must get *money* from somewhere. And the money is created, not by the ownership, or the cultivation of land or even by the sale of it, except to a bank, but by the banks—"out of nothing" as the Encyclopaedia Britannica puts it.

Had this been widely understood, the fantastic taxation of the past thirty years in particular, beginning with Mr. Lloyd George's Budget of 1910, would never have been tolerated. It was not widely understood, ***but it was thoroughly understood both by the international forces which brought Mr. George to power, and by the German High Command***

which realised that the landed proprietor was the backbone of the fighting strength of Great Britain, and that his elimination would leave the "internationalist" in a commanding position. ***The German landowner is almost completely untaxed.***

An understanding of this matter is essential to even an elementary insight into the politics of at least the past two hundred and fifty years. The fact that *money* has been kept in short supply has deluded the vast majority into believing that *wealth* was in short supply. By keeping (no matter what the improvement of process and the increase of production) the less fortunate, short of *money*, a discontented body of the population could be, and has been, kept available for agitation against every type of property except the credit or money-creating mechanism. Skilfully financed propaganda against property itself as a "private" conception has provided votes to transfer it to institutions governed from the shadows, or has so depreciated market values as to amount to virtual confiscation, without in any case detaching the conception of ownership *by somebody or something*, from it.

Out of this has grown a feature new in British life—the idea that uninstructed criticism of one's neighbour's business is normal and proper, and can reasonably be extended to any infringement of his "privileges" which does not involve interference by the police.

The policy of "full employment" is perhaps the next evidence of conscious intention.